



Health and Human Services

2027 Iowa Certificate of Need (CON) Application

Instructions: 1. Complete all the sections below. 2. Provide concise, evidence-based responses, with supporting documentation or data as needed. 3. Reference Iowa Code 135.63, as needed, to complete the application. 4. Upload additional documentation, as needed.

Primary Contact

Mr. Jack Mescher

Primary Contact Employer**Primary Contact Email**

jmescher@hillsdales.org

Facility Name

Hills & Dales

Facility Type

Intermediate Care Facility (Intellectual Disabilities)

Facility Address

1011 Davis Street, Dubuque, Iowa 52001

Project Title

Hills & Dales - 2 Bed Increase

Proposed Project

Request for two additional beds for Intermediate Care Facility - Individuals w/ Intellectual Disabilities

Total Project Cost

0

Equipment Cost

0

Project Type

Change in bed capacity less than 10% or 10 beds over 2 years (no construction)

Is this project application for a Nursing Facility?

No

Project Start Date

11/1/2026

Project End Date

11/1/2026

Would you like to request a summary review?

Yes

1. Applicant and Facility Overview

a. Project Purpose and Objectives:

Hills & Dales is a non-profit organization having served children and adults with intellectual disabilities for more than 50 years. Across the many services that we offer, Hills & Dales currently supports more than 200 individuals with disabilities through its ICF/IID or ID Waiver services. Hills & Dales currently operates a 59-bed licensed ICF/IID. The building, however, has existing capacity for 64 beds without needing any modifications. Hills & Dales has more than 80 active referrals on our ICF/IID waiting list, 52 are children with complex medical and behavioral needs. Hills & Dales seeks to expand its capacity to support these unmet needs by increasing its facility license by two (2) beds, for a new full capacity of 61.

b. Relationship to Long-Range Development Plan:

Hills & Dales' core strategic plan identifies an organizational priority toward expanding services to underserved populations, namely, children with autism and intellectual disabilities. Our commitment to meet the needs of children, albeit slowly, methodically, and without compromising service quality, is fundamental to our mission's existence and founding. Hills & Dales has a proven record of expanding children's services. Most recently, we completed a new RBSCL Duplex, which enabled several members of high behavioral complexity to move as teenagers to a less restrictive setting and expand on their independence goals. All the while, the referrals for younger children and children in need of 24-hour nursing services continue to grow. Our organizational core values require us to respond with service growth when we can do so responsibly, as we can in the case of this application.

c. Description of Proposed Service/Program:

Hills & Dales will apply its current ICF/IID program to these two additional beds, as it successfully does with its current ICF/IID residents. In the last two years, Hills & Dales has received three temporary bed increases from DIAL to allow admission of members in emergency circumstances. More and more often, Hills & Dales is being asked by HHS to admit children in emergency situations who are unable to find appropriate placement in other places. Routinely, Hills & Dales must deny admission because our occupancy is traditionally full, and our license does not permit it.

d. Target Population: Specify geographic and demographic areas.

Hills & Dales services individuals from 24 of the 99 counties in Iowa, with services provided at our Intermediate Care Facility for Individuals with Intellectual Disabilities in Dubuque, Iowa. While the facility is located in Dubuque Iowa, referrals are received from across the state and the geographic scope of the ICF/IID encompasses all 99 Iowa counties. We serve a high-acuity population with complex medical and behavioral needs that require specialized 24-hour nursing and interdisciplinary support. The individuals we support have a wide range of medical diagnoses, including but not limited to: Mild/Moderate/Severe Intellectual Disability, Attention-Deficit/Hyperactivity Disorder, Oppositional Defiant Disorder, Cerebral Palsy, seizure disorders, visual and hearing impairment and traumatic brain injuries. The population served is majority male, school-aged children, with the distribution largely being the 11-21 age group. Consistent with our mission, any Iowan who meets the ICF/IID Level of Care is considered for services, regardless of age or gender. We have demonstrated that we can support individuals outside of our predominant demographic profiles, and we remain committed to evaluating each referral on an individual basis to ensure person-centered care. Hills and Dales also recently admitted Iowa children who were residing out of state, stuck within hospitals, or removed emergently from the family home. These types of referrals are growing.

e. Relation to Existing Provider Network: Summarize relationship with other health care providers/services in the region.

Hills and Dales maintains robust and intensive relationships across local providers and UIHC. We primarily partner with Medical Associated, Mercy One, and FQHC Crescent Community Health Center for our ongoing resident health needs. Many of our residents also receive coordinated services at UIHC. Hills and Dales serves as a resource and partner for other LTSS providers in our area, including using mental health services from Hillcrest Family Services and partnering with Stonehill (down the street) on shared PT/OT/ST therapies. Collaborating with Area Residential Care on a variety of topics to ensure capacity and quality in our community.

f. Funding Sources and Financial Resources: Identify and document sources of funding and financial viability.

IA Medicaid and client participation

Current # of Beds (if changing)

59

Current bed type (if changing)

Requested # of Beds (if changing)

2

Requested bed type (if changing)

Document Upload

Bed Utilization Statistics.pdf

2. Community Need and Service Gaps

a. Description of Need:

Dubuque County continues to demonstrate a significant and growing need for residential services for individual with intellectual and developmental disabilities. The prevalence of disability within Dubuque County further supports the need for expanded ICF/IID capacity. Census and American Community Survey data indicates that approximately 9.2% of individuals under the age of 65 years old have a disability within the city of Dubuque, 7.6% in Dubuque County. The wait list for our ICF/IID is currently at 80 individuals, 52 of them being children. Of those, 44% are in inappropriate, unsafe, or otherwise emergent conditions until they can obtain a bed with Hills & Dales. This includes children currently placed out of state, in shelters and in hospital settings. Additionally, 28% of these referrals are placed with other providers but are seeking services from Hills & Dales alternatively.

b. Assessment of Existing Services and Gaps:

Existing residential services for individuals with intellectual and developmental disabilities in Dubuque County and the surrounding Eastern Iowa service area are limited in their ability to meet current and projected demand. While community-based and residential support services may be available, the number of specialized residential placements remains insufficient to accommodate individuals requiring ICF/IID level care. Hills & Dales is currently the only provider in Dubuque, Iowa to offer ICF/IID services to children (See letter from HHS Complex Needs Manager, Jamie Edwards).

c. Alternatives Analysis:

Several alternatives to increasing Intermediate Care Facility capacity were evaluated, including expanding home and community-based services for children and adults. While these options may be appropriate for some individuals, they are not sufficient to meet the needs of all persons requiring intensive, 24-hour nursing supervision, specialized programming, medical oversight, or behavioral supports. Increasing the ICF/IID beds is the most appropriate option and balance regarding effectiveness, safety, and quality of care. Currently, alternatives for many of the children on Hills & Dales' waitlist are being placed at out-of-state facilities, inappropriate foster care homes and/or live in hospital settings while waiting for appropriate placement.

d. Accessibility Considerations:

Many individuals who require Intermediate Care Facility services reside in smaller communities where specialized residential options are extremely limited or unavailable. When local services are unavailable families are left to seek placement outside of their county and/or out of state. Transportation barriers are especially significant for individuals with disabilities. Longer travel distances may reduce family involvement, hinder community integration, and negatively impact continuity of care. Individuals with intellectual and developmental disabilities often benefit from maintaining connections with family. An example of Hills and Dales being an improvement on these access concerns would be the young child we admitted who was placed in Tennessee. Her family is now able to visit her in Iowa, instead of several

states away.

e. Community Input/Support:

Community input through discussions over the years with individuals receiving services, family members, guardians, case managers, healthcare professionals, and disability service stakeholders indicates continued demand for additional residential options for individuals requiring ICF/IID level care. Feedback consistently identifies limited availability, challenges in securing timely admissions, and concerns regarding placement outside the individual's home community when capacity is unavailable.

Document Upload (if needed)

HillsDales_Vinquist letter.pdf

Letter of supportARC.pdf

HD Letter of Support.pdf

CONicfbedincrease.pdf

f. Non-discriminatory Access:

Hills & Dales does not discriminate in service delivery, admissions, employment, contracting or any activities on the basis of any characteristics protected by law. We are committed to providing an inclusive environment where all individuals are treated with respect and have equal opportunity to participate in our programs and services.

3. Impact on Existing Providers

a. Impact Assessment:

There is no risk of duplication as there are no other facilities in our region that will admit children with complex medical and behavioral needs. Other ICFs in the area admit only adults and do not provide 24/nursing

b. Community and Economic Impact: Broader system effect and value-added to the community.

The community continues to boast about Hills & Dales' positive impact on our area. This is evidenced by an article written by the community paper on the many facets of Hills & Dales. Adding these beds increased our capacity and stability to hire and retain talent, which is a cornerstone of our quality demands. Further, Hills & Dales is helping the HHS system, as we generally support children for a period of time, but once they have stabilized and made progress, we are able to refer them to lower levels of care in our community or closer to their homes. Just recently, Hills & Dales ICF assisted a child in coming back to Iowa from Tennessee, then stabilizing, and now being supported in an HCBS setting where she enjoys many freedoms and independence-building skills of everyday life.

c. Efficiency in Use of Resources: Shared/cooperative arrangements to maximize efficiency.

Hills & Dales collaborates with a neighboring long-term care provider on the provision of speech, ot, and pt services. This new collaboration is reducing costs for us, them, and the state. Hills and Dales partners with several colleges in hosting nursing clinicals. Because of our unique special population, candidates received exposure to very high-acuity persons with disabilities. Hills & Dales is currently in a collaboration study with another provider, which will conclude with planned directional aims in December. The purpose of the agreement is to do more together, be more efficient and impactful, and eliminate redundancies where practicable in this tight workforce environment. Hills & Dales has a consulting relationship with other like-minded and mission-aligned providers. We conduct training with Hillcrest Family Services when they see the intersection of MH and ID. We conversely use them for MH needs when appropriate. We just entered into a contract with 4-Oaks to assist foster families who are supporting children with ID and Autism, ideally to prevent referral to higher levels of care like our ICF/IID. We provide BCBA consults to other ICF providers, including Sunnycrest and ARC, and have done so for MHI in Independence. All of our efforts are geared toward preventing a referral to our facility (since there are so many that we have to turn

away due to capacity) and equipping other reputable providers with the tools to be successful in serving a more challenging population. We also extensively collaborate with Crescent Community Health Center on Dental and limited Primary Care Needs, the UIHC on equipping ourselves to support children and helping to get them out of their holding patterns in their hospitals.

4. Financial and Operational Feasibility

a. Financial Projections and Feasibility:

The financial projections associated with increasing Hills & Dales ICF/ID capacity from 59 to 61 beds are both reasonable and achievable. The facility currently maintains the staffing levels, physical infrastructure, and operational support necessary to accommodate the additional residents without requiring significant increases in fixed expenses. As a result, the addition of two beds will generate incremental revenue while requiring only minimal increases in costs associated with resident care and daily living supplies. Hills and Dales ICF/ID, under its current licensed capacity, has been running increasingly at a deficit. Additional beds enable us to be more efficient with our existing resources and add capacity without growing corresponding expenses.

Document Upload (3-year budget projections)

H&D 3 Year Budget_61 Beds.xlsx

b. Staffing and Operations:

Hills & Dales is always seeking to modernize and streamline its management structure for greater accountability, uniformity, and ownership in its ICF/ID. The structure is as follows:
CEO Supervises the Program Officer and the Operations Officer.

The Program Officer supervises the Residential Services Director. The Residential Services Director supervises the Assistant ICF/ID Director. The Assistant ICF/ID Director supervises 4 QIDPs and 4 Shift Supervisors. The 4 QIDPs each supervise 2 Program Coordinators and own the IDT process for the residents assigned to them. The Program Coordinators own staff training and implementation of programs. Program Coordinators supervise up to 15 Direct Support Professionals who execute IPPs and are tasked with various components of Active Treatment.

The Operations Officer supervises the Health Services Director, the Facilities Manager, and the Auxiliary Services Director. The Health Services Director supervises the Nursing Manager and Shift Nurses (RNs/LPNs). The Nursing Manager oversees the Certified Medication Aides. Collectively, the nurses and CMA's ensure the health and safety of residents through medication administration, ongoing assessments, monitoring health status, appointment coordination, and completion of preventative care exams and procedures.

The Facilities Manager oversees the Maintenance Engineers who ensure the facility is safe and free of hazards. They perform inspections, monitor and ensure compliance with all building code regulations. They're responsible for performing drills and providing ongoing maintenance to equipment and agency vehicles.

The Auxiliary Services Director oversees the Environmental and Dietary Services Supervisor who manages the Dietary and Environmental Services Assistants. Dietary services are responsible for menu planning, preparing and cooking meals, ensuring special diet orders are implemented and being followed. They work closely with the Dietitian to adjust diets and menus to meet the needs of the clients. Environmental assistants are responsible for laundry and maintaining a clean and dignified environment for clients. We have also started to use robotic cleaning equipment to generate savings.

c. Short and Long-term Viability:

Because the building was designed and staffed to support this increased occupancy level and more, the

additional beds would allow Hills and Dales ICF/ID to spread fixed operating costs across a greater number of residents. This improved utilization of existing resources would enhance operational efficiency and contribute to the long-term financial sustainability of the program without creating a corresponding increase in personnel expenses.

The requested increase from 59 to 61 beds represents an opportunity to maximize existing capacity, improve cost-effectiveness, and support the continued delivery of high-quality services to individuals with intellectual and developmental disabilities.

5. Community and Economic Impact

a. Community Engagement:

Hills & Dales' existence is based on supporting diversity and inclusion as our mission is focused on supporting people with disabilities. At our core we cannot separate this inclusion from our identity. We are committed to connecting with and providing an inclusive and welcoming environment for all members of our staff, clients, vendors, volunteers, and community.

As shared within the organization's Cultural Competency Plan Hills & Dales will work towards fostering a network of culturally competent programming and staff by:

- Promoting cross-cultural awareness and respect across the agency by organizing a cultural diversity plan
- Training assigned staff on cultural competency
- Utilization of language translation services when requested
- Assessment of persons served's cultural practices and beliefs upon admission to Hills & Dales programs
- Ongoing annual assessment of the cultural needs of the persons served
- Enable access to services that are sensitive to the persons' served cultural and linguistic needs
- Annual assessment of demographics served

We believe cultural competency and diversity must be manifested in each area of the organizational process, service delivery, client advocacy, and in business practices and staff recruitment. Promoting competency and valuing cultural differences is an ongoing process of education and awareness. Hills & Dales endeavors to:

- Identify populations served outside the dominant culture
- Educate staff on cultural competence/diversity with regard to serving any population outside the dominant culture
- Seek feedback from clients outside the dominant culture regarding their perception of the degree of respect and understanding, needs, and preferences

Related to responsiveness to community concerns, Hills & Dales has a systematic, organization-wide, planned approach to designing, measuring, evaluating, and improving performance. The agency utilizes structured processes to ensure that performance and quality initiatives are transparent, data-driven, and consistently shared across all levels of the organization. Through ongoing evaluation and clear communication, Hills & Dales promotes accountability, supports informed decision-making, and fosters a culture of continuous improvement that aligns with its mission and strategic goals.

b. Resource Availability:

With strong Board oversight and direction, Hills & Dales has a robust leadership and management team for both the ICF/ID and the organization as a whole. The management team has many years of experience, with numerous leaders being employed during previous additions of beds through the CON process.

Specific to this request, general oversight will be conducted by Jack Mescher, CEO, Michelle Schmitt, Program Officer with 25+ years at Hills & Dales and Kate Grebin, ICF Program Director with 25+ years with the organization as well. This team, alongside numerous other qualified professionals are not only available, but fully competent to successfully complete the bed additions.

c. Organizational Relationships:

While providing services for over 50 years, Hills & Dales has a long history of relationship and partnership building with ancillary services, both local and beyond, to support the mission and those we serve. Importantly, by nature of our funding and work, strong relationships exist with all three Iowa MCOs.

While routinely collaborating with the University of Iowa Hospitals and Clinics, we also look forward to future local partnerships with the University of Dubuque's new John and Alice Butler College of Osteopathic Medicine opening in 2028. The organization also regularly partners with local 2- and 4-year colleges related to healthcare student clinical hours, practicums, supervised work experience and more. All of these medical related arrangements create optimal outcomes for those we support.

6. Project Planning

a. Project Timeline:

9/15/2026: Apply to CON for 2 additional beds

11/1/2026: Receive approval for 2 additional beds

12/15/2026: Admit two children to open beds who are currently awaiting access to ICF/IID services.

b. Innovative Components:

Over the past year, Hills & Dales has strengthened its operational infrastructure through enhancements to data collection, reporting, analytics, and performance measurement to provide greater visibility into service quality and outcomes. This data-driven approach has allowed us to demonstrate the effectiveness of our programs, resulting in the successful development of pay-for-performance agreements with payors based on proven results. We would love to demonstrate our data insight capabilities as a best practice to HHS at any time.

c. Regulatory Compliance:

Hills & Dales currently meets the federal ICF/IID Conditions of Participation and is licensed by DIAL and certified by Iowa HHS as an enrolled provider. According to these requirements, Hills & Dales also must be compliant with Life Safety Standards applicable to Healthcare Facilities, which we are. Hills & Dales is currently and will remain compliant with the required regulations with or without this request.

7. Special Criteria for Specific Services:

a. Alternative Consideration (135.63(2)"a"):

We have been reflecting on this expansion in beds for several years. For a while, we have dealt with emerging needs by requesting emergency beds when we had an emergent admission requested by HHS or MCO's. DIAL recommended to us due to our frequency in making this request, that we seek additional beds if we forecast these events to remain--which we do

b. Utilization of Similar Facilities (135.63(2)"b"):

No other facilities in the greater Dubuque area will admit children with severe behavioral and/or 24/7 nursing needs. The ICF/IIDs in the region do not serve children. Hills & Dales knows of only 5 providers in the entire state of Iowa who will serve children in an ICF/IID and of only two other providers who will serve children with 24/7 nursing needs. It is also important to note in the last 5 years, several hundred ICF/IID beds have been eliminated. This has resulted in HCBS service growth, but it also resulted in less options for children and those with nursing needs due to a lack of Home Health providers accepting the complexity of this population.

c. Construction/Modernization (135.63(2)"c"):

There are no construction or other modernization costs associated with this request.

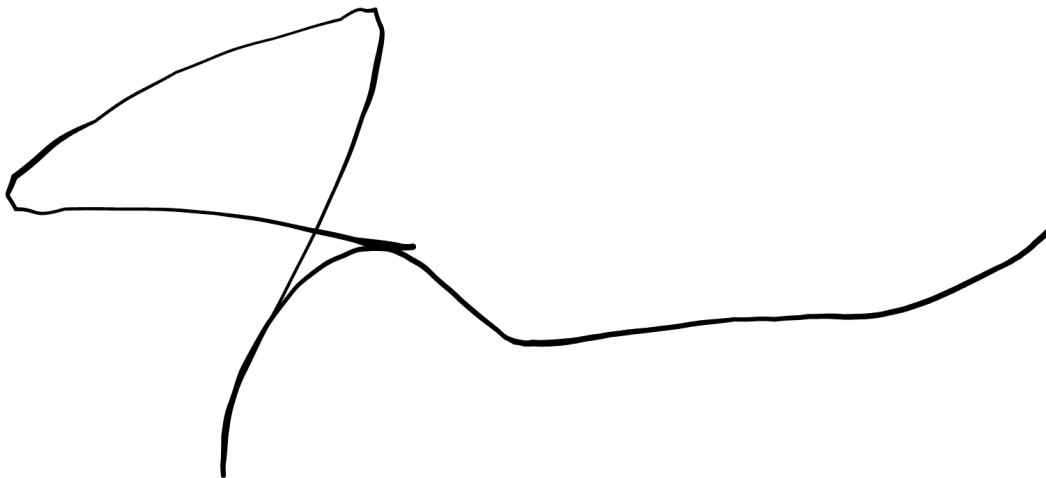
d. Access Concerns (135.63(2)"d"):

We think HHS and Case Management across MCO's would agree that there is an unmet need for appropriate residential services for children across the State of Iowa. This is evidenced by the current reliance on out-of-state placements for children, the children's critical connections meeting, and the HOME project efforts to bring more service access to children. Of the 52 children on our waiting list, 44% are in inappropriate, unsafe, or otherwise emergent conditions until they can obtain a bed with Hills & Dales. This includes children currently placed out of state, in shelters and in hospital settings. Additionally, 28% of these referrals are currently placed with other providers but are seeking services from Hills & Dales alternatively.

e. UIHC Special Role (135.63(3)):

While Hills & Dales does not maintain a formal contractual agreement with UIHC, we have developed a meaningful and collaborative partnership that enhances our ability to serve individuals with complex developmental and behavioral needs. Through regular engagement and professional collaboration, we have established channels for shared learning and clinical consultation. Hills & Dales also participates in UIHC's Project ECHO program, contributing to and learning from monthly interdisciplinary case reviews focused on individuals with rare, complex, or challenging developmental and behavioral conditions. This participation promotes the exchange of expertise, supports continuous quality improvement, and ensures our staff remain informed of current best practices and innovative treatment approaches within the field.

Signature

A handwritten signature in black ink, consisting of a large, stylized loop on the left and a long, sweeping horizontal stroke extending to the right.

Additional Supporting Documents Upload